

Memorandum



Subject	Date
<u>USA v. Gary Rodrigues</u> , Cr. No. 01-00078 DAE	May 24, 2004
To	From
File	Florence T. Nakakuni, AUSA <i>m</i>

1. On Friday, May 21, 2004 at approximately 9:13 a.m. Eric Seitz, attorney for Mr. Rodrigues, left me a phone message saying that the proposal in my most recent letter was not acceptable because transferring money to the Clerk's Office becomes a "taxable event." Seitz said he was suggesting an order signed by the Court in which Rodrigues sets aside a certain amount and he would have no access to it only the trustee would and this would avoid a taxable event.

2. I discussed the above with Lisa Yoshimura and Shari Hsieh and they agreed with me that I should find out who the trustee was and they also agreed that maybe the monies could be made payable to the Clerk of Court as well.

3. I called Mr. Seitz and asked him who would be the trustee and he stated that the trustee would be First Hawaiian Bank because it was the administrator of the pension fund. I told him that we also wanted to make sure that the disbursement went only to the Clerk of Court unless otherwise ordered by the Judge. I told him that I would have to talk to FLU and would call him back.

4. I again spoke to Lisa Yoshimura and Shari Hsieh and related the above information. They agreed with having First Hawaiian Bank as a trustee and they agreed that if the stipulation and order stated that disbursement would be made only to the Clerk of Court unless otherwise ordered by the Court would be sufficient to protect our interest.

5. I again called Mr. Seitz and advised him that we would not object if First Hawaiian Bank was the trustee in its capacity as administrator of the pension fund and if the stipulation and order stated that disbursement would be made only to the Clerk of Court unless otherwise ordered by the Court. Mr. Seitz then asked about the money that was already garnished, the approximately \$35,000. I told him that we needed the special assessment of \$10,100 to be paid out of this amount because could not have this special assessment be paid from the pension account. He then asked if the balance could be returned. I told him that I

EXHIBIT *C*

would have to contact FLU. He said he wanted to go ahead with the stipulation regarding the pension account and that we could discuss this other matter next week.

6. I again contacted Lisa Yoshimura and Shari Hsieh and related the above. Lisa Yoshimura stated that she wasn't sure about returning any of the balance of \$35,000 minus the \$10,000. I told her that we didn't have to address it now she could think about it over the weekend and we could discuss it next week.

7. All the conversations discussed in this memo took place on Friday, May 21, 2004.